

**REMARKS**

Claims 1-2, 5-6 and 22-23 are pending in this application.

Applicants appreciate the courtesies shown to Applicants' representative by Examiner Ouellette during the April 1, 2009 telephone interview. Applicants' separate record of the substance of the interview is incorporated into the following remarks.

**I. The Claims Are Patentable Over The Applied Reference**

The Office Action rejects claims 1-2, 5-6 and 22-23 over U.S. Patent Application Publication No. 2002/0105665 to Wasilewski et al. (Wasilewski) in view of Official Notice (supplemented by U.S. Patent No. 1,723,541 to Carrier). Applicants respectfully traverse the rejection.

Regarding independent claims 1 and 22, the proposed combination fails to disclose "wherein a selection of the purchase blank media transaction type effectuates a direct distribution of blank media".

Regarding independent claims 1 and 22, the Office Action acknowledges that Wasilewski fails to disclose (i) wherein a selection of the purchase blank media transaction type effectuates a direct distribution of blank media; and (ii) "the first storage media being within and controlled by the portable electronic device". Regarding feature (i), the Office Action takes Official Notice, supplemented by Carrier, that "vending a wide variety of goods (to include paper/blank media) through the use of automated machines was well known at the time the invention was made" and that it would have been obvious to adapt the system of Wasilewski to sell blank media. Regarding feature (ii), the Office Action cites to Applicants' admitted prior art as allegedly curing the deficiency.

Regarding (i), Carrier discloses a newspaper vending machine (page 1, left column, last two lines) and contains a receptacle in which newspapers are placed (page 1, left column, last line to right col., line 1). During the interview, Examiner Ouellette alleged that Carrier

discloses vending of blank paper. This is not correct because Carrier specifically describes vending newspapers. As newspapers were (and are) printed before insertion into vending machines, Carrier's machine would not have contained any blank paper.

Wasilewski, the Official Notice, Carrier, and Applicants' admitted prior art all fail to result in the feature quoted above of dispensing blank media because (A) it would not have been obvious to make the proposed modifications to Wasilewski; and (B), even if the proposed modifications to Wasilewski would have been made, the combination would not result in: "wherein a selection of the purchase blank media transaction type effectuates a direct distribution of blank media".

Applicants traverse the holding of Official Notice. The Office Action cites to Carrier in support of the allegation that vending blank photograph paper is known. First, the record does not reflect that vending of blank photographic paper is known.

Second, Carrier, cited in support of the vending of blank paper, in fact discloses only the vending of finished products, printed newspapers. As discussed above, Carrier's device does not even contain any blank paper. Thus, it would be impossible for Carrier to vend blank paper.

Third, even if Carrier did disclose vending of blank media, the blank media would be blank newspaper paper, not blank photographic paper. Thus, even if Carrier discloses vending of blank media, Carrier would not have rendered obvious the modification of Wasilewski as proposed because blank photographic paper is not blank newspaper paper.

During the telephone interview, Examiner Ouellette alleged it would have been obvious to modify Wasilewski by Carrier (provided that Carrier discloses vending of blank newspaper paper, which it does not). Applicants understand that Examiner Ouellette's position is that blank photographic paper and blank newspaper paper are similar. However, as explained during the interview, blank photographic paper and blank newspaper paper are

not equivalent. Blank newspaper paper is used to print newspapers and blank photographic paper is used to print high quality photographs. Blank newspaper paper may have alternate uses such as wrapping of food products, but these alternate uses do not apply to photographic paper.

Fourth, during the telephone interview, Examiner Ouellette asserted that, even if Courier fails to disclose vending of blank media, he had cited four or five other references that disclose vending of blank media. However, Applicants note that only Courier is listed on the PTO-892 form.

In view of the foregoing, including the supporting reference's nondisclosure of vending blank media in general or the vending of blank photographic media in particular, Applicants submit that it was not common knowledge to vend blank photographic paper. Thus, it follows that the allegation that Wasilewski can be modified to vend blank media (blank photographic paper) because it was known is pure speculation.

However, even if Wasilewski would have been modified by Courier, the vending of blank media would not have resulted because the supporting reference Courier discloses vending printed newspapers, not blank photographic media.

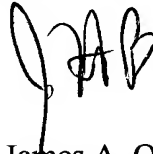
For the foregoing reasons, Applicants request withdrawal of the rejection.

## **II. Conclusion**

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,



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